

CHARISMA ENERGY SERVICES LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199706776D)

**RESPONSES TO QUERIES BY THE SHAREHOLDERS IN RELATION TO THE
ANNUAL GENERAL MEETING AND ANNUAL REPORT FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2024 (“FY2024”)**

INTRODUCTION

The Board of Directors (the “**Board**”) of Charisma Energy Services Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce its responses to the below queries received from its shareholders in relation to the annual general meeting and annual report for FY2024.

The Company would like to inform shareholders that the responses to all questions which have been submitted by shareholders prior to the deadline are published in this announcement.

QUERIES BY THE SHAREHOLDERS

Question #1

Hi, may I know what is going on with CES? It is bankrupted? Or is it still operating some businesses? I can see on your website that there seems to be some power plants in China and India, are they CES's assets? If so, why don't sell it off and close the company, or do something about it.

Company's Response

- On the Group's Restructuring Exercise

As disclosed in the Company's previous announcement on 4 February 2019, the Board had recommended that the trading of the shares of the Company (the “**Shares**”) be suspended on a voluntary basis until all material information could be disclosed, as it was in discussions with certain stakeholders (such as bank lenders and creditors) in relation to its financing and capitalisation structure. Thereafter, on 17 June 2020, following the Company's engagement of an external consultant to review the Company's financial position and its ability to operate as a going concern, the Company announced the Board's opinion that the trading of the Shares should be suspended under Catalist Rule 1303(3)(c) due to uncertainties as to the Company's ability to continue as a going concern. Reasons for this included (a) uncertainties as to the Group's financial restructuring exercise which was still in progress; (b) uncertainties in securing legal agreements on the assets that formed part of the Group's planned asset divestment plan (save for one of the assets); and (c) an assessment that the Group would remain in a net liability position post execution of its asset divestment plan.

Pursuant thereto, as part of the Company's corporate restructuring efforts, the Company had since (i) signed a conditional subscription agreement with a subscriber¹, (ii) lodged the Singapore High Court's sanction of the schemes of arrangement with certain class of creditors²; (iii) entered into an Amended and Restated Deed of Settlement with REPS Holders³; (iv) completed its planned divestments of solar plant in China⁴; and (v) entered into a conversion loan agreement with the subscriber and its nominee⁵.

The Company is currently in the final stages of its corporate restructuring exercise and, barring any unforeseen circumstances, anticipates that it will be able to resume the trading of its Shares in the near future. The recent key developments in the Company's restructuring exercise includes:

- (i) receipt of the no objection letter from SGX RegCo on the Company's application to resume trading in its Shares, which is subject to the several conditions listed in the letter⁶; and
- (ii) submission of an application letter to the Securities Industry Council of Singapore on 23 December 2024, seeking a waiver of the obligation of the subscriber to make a mandatory general offer under Rule 14 of the Singapore Code on Takeovers and Mergers for the Shares not held by the subscriber post-completion of the Group's restructuring exercise⁷.

The Company will keep the shareholders informed of any developments in relation to matters relating to point (ii) above.

- On the Group's operation and current financial position

The Group is still in operation with its 13 mini-hydro power plants in Sri Lanka. These plants continue to operate smoothly and contribute positive cashflow to support the current operations of the Group. The Group is currently in a net liability position pending the completion of the subscription agreement with the subscriber, as per Company's announcement dated 18 January 2023.

- On the Group's divestment of the Group's assets

The power plants in China and India were previously held by the Group. The Group had successfully completed the planned divestment on these assets. The proceeds from the divestment of India solar plants were applied towards partial repayment of the Group's borrowings, while the proceeds from the sale of the solar plant in China is earmarked for distribution to the Category A Participating Creditors under the Supplementary Scheme of Arrangement and the REPS Holders, as part of the Group's debt restructuring exercise pursuant to the subscription agreement.

¹ Please refer to the Company's announcement dated 18 January 2023

² Please refer to the Company's announcement dated 7 July 2023 and 26 September 2024

³ Please refer to the Company's announcement dated 13 August 2024

⁴ Please refer to the Company's announcement dated 23 September 2024

⁵ Please refer to the Company's announcement dated 20 December 2024

⁶ Please refer to the Company's announcement dated 10 December 2024.

⁷ Please refer to the Company's announcement dated 27 December 2024.

Question #2

May I know is there an estimated timeline when I can sell my suspended shares as in elderly & don't wish to be trapped with suspended shares.

Company's Response

As the trading of the Shares remains suspended, the shareholders will not be able to trade in the Shares and will only be able to do so upon the completion of the subscription agreement with the subscriber and successful resumption of trading of the Shares on the Catalist Board. Please see above for the Company's efforts and status in relation thereto.

Question #3

I have the following questions for the management Team to advise the shareholders.

- (a) What is the company's short and long term direction as well as vision growth for the company.*
- (b) As the RE industry has grown very fast domestically and S E Asia in the past 5 years, can you advise what has Charisma achieved in capturing this market during the last 5 years?*
- (c) What are the challenges facing the company?*
- (d) Can you advise what are the project pipelines down the road?*
- (e) Can you advise the current workforce and their experiences?*
- (f) How does the company plan to enhance shareholders' value in the next few years?*

Company's Response

Over the past two (2) years, the focus of the Company was to complete the key milestones pursuant to the subscription agreement which includes the sanctioning of the schemes of arrangement and disposal of solar plant in China. Currently, the Company's immediate task and challenge is to successfully complete the subscription agreement and obtain trading resumption of the Shares. Following this, the Company will then focus on growing its renewable energy business.

Due to the Company's corporate restructuring exercise over the past five (5) years, the Company was unable to capitalise on new opportunities in the renewable energy sector. Notwithstanding, the Company focused on ensuring that its existing mini-hydro power plants continue to operate smoothly. The operations of the Group are managed by a team comprising professionals with more than 20 years' experience in various functions such as business development, financial accounting and engineering in the renewable energy sector.

Upon the successful resumption of trading of the Company's Shares on the Catalist Board and coupled with the expected completion of the corporate restructuring exercise, barring unforeseen circumstances, the Company will be in a better financial position, which will enable it to capitalise on potential opportunities for the development and operation of new renewable energy projects, which may be able to enhance shareholder value in the foreseeable future.

By Order of the Board
Charisma Energy Services Limited

Cho Form Po
Company Secretary

18 April 2025

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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